BEFORE THE TENNESSEE STATE BOARD OF EQUALIZATION ASSESSMENT APPEALS COMMISSION

Appeal of:	CAPITOL GALLATIN LLC	·)
	(Shoney's Inn)	j
	Map 126C, Parcel 4) Sumner County
	Commercial Property)
	Tax Years 2002-2003	, ,

FINAL DECISION AND ORDER

Statement of the case

The taxpayer has appealed the initial decision and order of the administrative

judge, who determined the subject property should be assessed as follows:

Parcel	Land	Improvement	Total value	Assessment
4	\$111,700	\$1,593,900	\$1,705,600	\$682,240

The appeal was heard in Nashville on December 12, 2005 before Commission members Stokes (presiding), Ishie, Wade, and White. The taxpayer was represented by Mr. Davis Gravely, an agent registered with the State Board of Equalization, and the assessor Mr. John Isbell represented himself, accompanied by a deputy, Mr. Jesse Denton.

Findings of fact and conclusions of law

The subject property is an 86 room, two story motel built in 1977, located at 221 West Main Street in Gallatin. The taxpayer offered testimony of an experienced manager of motel properties and an analysis of value of the subject by the income approach, concluding the subject was worth no more than \$1,083,000 as of January 1, 2002 or 2003. Its current appraised value for property taxes (\$1,705,600) was derived in the 1998 reappraisal of all Sumner County property, and the principal evidence cited by the assessor as continuing support for this value is the 1998 sale of the subject for \$2,444,819 including tangible personal property estimated at \$632, 541 by the buyer. The assessor acknowledges that conditions in the lodging industry changed dramatically from 1998 to 2002, and we find the 1998 sale is of questionable relevance in establishing the value of the subject for tax year 2002.

The taxpayer, who bears the burden of establishing error in the initial decision and order, has established by competent proof that the subject was worth no more than \$1,083,000 as of January 1, 2002 or 2003, and this contention stands unrebutted. The analysis offered by the taxpayer is supported by industry data that take into account the impact of the 9/11 terrorist attacks on the tourism economy.

ORDER

. . .

¹ Mr. Wade and Mr. Ishie sat as alternates in the absence of regular members who were unavailable, pursuant to Tenn. Code Ann. §4-5-302.

It is therefore ORDERED, that the initial decision and order of the administrative

judge is modified to reflect the following values as urged by the taxpayer:

Tax year	Parcel	Land	Improvement	Total value	Assessment
2002	4	\$111,700	\$854,444	\$966,000	\$386,400
2003	4	\$111,700	\$971,300	\$1,083,000	\$433,200

This order is subject to:

- Reconsideration by the Commission, in the Commission's discretion.
 Reconsideration must be requested in writing, stating specific grounds for relief and the request must be filed with the Executive Secretary of the State Board within fifteen (15) days from the date of this order.
- Review by the State Board of Equalization, in the Board's discretion. This review
 must be requested in writing, state specific grounds for relief, and be filed with the
 Executive Secretary of the State Board within fifteen (15) days from the date of this
 order.
- Review by the Chancery Court of Davidson County or other venue as provided by law. A petition must be filed within sixty (60) days from the date of the official assessment certificate which will be issued when this matter has become final.

Requests for stay of effectiveness will not be accepted.

DATED: Opil 11, 2006

ATTEST:

cc: Mr. Davis Gravely

Mr. John Isbell, Assessor

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